

# Food and Agricultural Products Center



March 31, 2003

## Made In Oklahoma Helps Food Industry

STILLWATER, Okla. – April is Made in Oklahoma Month, and food manufacturers, as well as the Food and Agricultural Products Research and Technology Center, are helping to promote Made In Oklahoma products.

Several Oklahoma food manufacturers began discussing ways they could collectively promote their products to the Oklahoma consumer in March 2001, said Chuck Willoughby, Center business planning and marketing specialist. These companies joined to form the Made In Oklahoma Coalition.

“Their mission is two-fold,” Willoughby said. “They strive to collectively promote food brand awareness, trade and consumer loyalty for Oklahoma food products and to achieve this through cooperative marketing activities which will enhance sales to retail and foodservice outlets and promote business retention and expansion in the state.”

The coalition includes 22 companies that process various food products, such as meat and dairy, baking and confectionary goods, processed horticultural foods and beverages.

These member companies have had an economic impact on Oklahoma’s economy, Willoughby said.

A study of 14 of the 22 coalition companies was conducted in 2002 to determine the exact amounts of their impact on the Oklahoma economy. The numbers collected represent figures from the 35 facilities operated by the participating companies.

The 35 facilities employed 8,942 people and an esti-

mated payroll for employees totaled \$245.8 million. The measurement of direct, indirect and induced economy-wide impacts of food processing is accomplished using input-output analysis. This analysis can be used to explain flows from producers to intermediate and final consumers, Willoughby said.

“To analyze the input-output model, a computer-based system called Impact Analysis for Planning was used,” he said. “The impacts of food processing in 2002 were calculated based on the industrial relationships of IMPLAN and 2002 data provided by MIO Coalition companies.”

The IMPLAN program generates Type III multipliers. Using these multipliers, one can differentiate the direct impacts from the indirect and induced impacts. For example, if a Type III multiplier for employment is calculated to 1.5, then for every one job in the industry being analyzed, an additional 0.5 jobs are created throughout the economy.

Likewise, if a Type III multiplier for income is calculated to be 1.75, then for every \$1 of income in the industry being analyzed, an additional \$0.75 of income is created throughout the economy.

The Type III multipliers generated for this study were 1.86 for employment and 1.97 for income. Thus, for every one job provided by a MIO company, an additional 0.86 jobs are created throughout Oklahoma’s economy. Furthermore, for every \$1 of income paid by a MIO company, an additional \$0.97 of income is created throughout Oklahoma’s economy.

“The direct economic impact of the food processing

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industry is significant and generates additional jobs and income throughout the state's economy as a result of its activity," Willoughby said.

Using these multipliers, the indirect and induced impacts MIO companies have on employment are estimated to be an additional 7,690 jobs created throughout Oklahoma's economy. The total impact on Oklahoma's employment attributed to the activities of these 14 MIO companies is estimated to be 16,636 jobs.

The indirect and induced impacts MIO companies have on payroll are estimated to be an additional \$238.4 million in income throughout Oklahoma's economy and the total impact on Oklahoma's income attributed to the activities of these 14 MIO companies is estimated to be \$484.2 million.

The food processing sector plays an important role in Oklahoma's economy, Willoughby said.

"Celebrate Made In Oklahoma Month this April by trying the many great products offered by our state's food industry," he said. "Be sure to support the following MIO Coalition members, not only during Made In Oklahoma Month, but any time you shop."

Oklahoma State University, U.S. Department of Agriculture, State and Local Governments Cooperating. The Oklahoma Cooperative Extension Service offers its programs to all eligible persons regardless of race, color, national origin, religion, sex, age, disability, or status as a veteran, and is an equal opportunity employer.

**Made in Oklahoma Coalition Members:**

Advance Brands and Advance Food Co., Bar-S Foods Co., Blue Valley Water Co., Central Oklahoma Wineries, Chef's Requested, Clements Foods Co., Field's Pies, Great Plains Coca-Cola Bottling Co., Griffin Foods Co., Head Country Food Products Co., Ironhead Stuff Co., J. C. Potter Sausage Co., Old Germany Restaurant, O'Steen Meat Specialties, Quality Baking Co. Inc., Seaboard Farms, Shawnee Milling Co., Oklahoma Beef Industry Council, Oklahoma Department of Agriculture, Food and Forestry, Oklahoma Food and Agricultural Products Center, Oklahoma Pork Council, Oklahoma Restaurant Association and Oklahoma Wheat Commission.

Visit the MIO Web site at: [www.miocoalition.com](http://www.miocoalition.com).

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